

Washington State Department of Agriculture

News Release

For immediate release: Aug. 2, 2011 (11-21) Contact: Jason Kelly (360) 902-1815 WASHINGTON STATE DEPARTMENT OF AGRICULTURE
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Growers can turn to WSDA in fraud, theft cases

OLYMPIA – The higher the commodity price, the greater the impact a fraudulent transaction can have on a grower's bottom line. And with many prices looking strong heading into the harvest season, the Washington State Department of Agriculture (WSDA) is ready to respond to any complaints of theft, fraud, and other unfair business practices.

WSDA's Agricultural Investigations Program licenses over 700 dealers, brokers, agents and cash buyers of livestock, produce, hay, seed and other crops. In most cases, WSDA requires licensees to purchase a bond.

Farmers sell to agricultural dealers under a wide variety of agreements ranging from consignment to cash payment. While the vast majority of transactions are completed without problems, if there is a dispute, the farmer can file a complaint with WSDA. The agency's investigations are funded entirely through fees paid by the dealers.

"Our preferred approach is to bring the two parties together to negotiate," said WSDA's Jerry Buendel. "Our goal is to get to a mutually agreed upon solution as soon as possible so the farmer can get paid. In some cases, we have to claim the bond of a failing business to reimburse the farmer."

Over the past two years, WSDA has resolved 54 cases and recovered almost \$500,000 for producers. In May, WSDA helped an Okanogan County rancher recover \$88,000 after non-payment on a hay sale.

Investigations usually involve reviewing contracts, examining transaction records, conducting interviews and locating the individual, products or livestock. Bounced checks from dealers have been resolved through payment plans. WSDA investigators work closely with county prosecutors when criminal sanctions for insufficient-fund checks, theft or fraud are appropriate.

Before entering into agreements with dealers, farmers are encouraged to check the licensing status of the individual or business before they give up possession of their crops. Growers need to review contracts carefully, retain paperwork, and ensure they have full names, addresses, phone numbers and vehicle license tag numbers of their business partners.

Growers can check dealer licenses or file a claim through the <u>Agricultural Investigations Program</u> website, by calling (509) 249-6961 or (360) 902-1857, or by emailing <u>commerch@agr.wa.gov</u>.